

SB 5178-S - DIGEST

(DIGEST AS ENACTED)

Finds that the federal government has established an eighteen-month moratorium on the exemption under 42 U.S.C. 1395nn that allows physicians to refer patients to physician-owned specialty hospitals. The moratorium effectively prevents the establishment of any new physician-owned specialty hospitals reimbursed under medicare and other federal health programs until the medicare payment advisory commission and the secretary of health and human services each conduct a study to assess physician-owned specialty hospitals.

Finds that imposing a similar moratorium on the licensing of any new physician-owned specialty hospital until the results of the medicare payment advisory commission and health and human services' studies are available is necessary to enable the legislature to determine the appropriate regulation of physician-owned specialty hospitals in Washington.

Provides that, from January 1, 2005, until July 1, 2006, no specialty hospital in which a physician, or an immediate family member of a physician, has an ownership or investment interest shall be granted a license under chapter 70.41 RCW.